

2005 — Beginning Plans for Unit 3

IPSC

Pat Finlinson Received Associate in Risk Management Certificate

— On January 6, Pat Finlinson was awarded the Associate in Risk Management Certificate as designated by the Insurance Institute of America, the premier certification agency for the risk and insurance industries. To qualify for the certification, Pat had to successfully complete a series of three examinations testing his understanding of risk theories, risk management matrices, risk control procedures, risk financing options, and contractual risk transfer techniques.



Men Who Cook at IPSC — In January a calendar was created using recipes from men who work at IPSC. Samples of the recipes were available for tasting. Proceeds from the sale of the calendar are planned to be



used to purchase personal locator beacons.

New Putnam Client Relationship Officer — In January, Elizabeth Antin, the new Client Relationship Officer from Putnam Investments, visited with some members of the IPSC Savings and Retirement Committee.

Retirement and Savings Plan Changes — In March, the Summary Plan Descriptions (SPD) for the IPSC Retirement and Savings Plans were updated. The new trustees and the most recent changes including the Rule of 85 and the formula providing 1.5 percent for each year of service for the plans were listed in the Retirement Plan Summary Plan Descriptions (SPD).

Outage Appreciation Breakfast — On the morning of April 20, an Outage Appreciation Breakfast was cooked by Staff and some of the Assistant Superintendents. The breakfast was provided to express thanks for the dedicated and long hours of work during the Unit 1 major outage.

Unit 1 Spring Outage — During the last part of April and the first part of May, a series of small events created a big problem with Unit 1. The month-long major outage for Unit 1 had just been completed. After the unit was returned to normal status and generating electricity, there were a series of trips caused by an escalation of several problems. Unit 1 was back online May 13.



together to solve a serious problem.

Back-Door Salesman Training — In the spring, an on-site training seminar was presented to a number of employees involved with the planning and purchasing of items. The seminar titled "Back-Door Salesman" was designed to make employees aware of the skills that highly trained salesmen use so employees do not inadvertently disclose certain financial or management information.

During these outages, many employees and consultants scrambled to determine the problem and develop solutions. This perplexing and difficult challenge was one of the biggest IPSC had faced. The ability to analyze the problem, and the planning and working to get the Unit back online was a strong indicator of how well the employees pulled



Medical and Dental Insurance — In April, planning meetings were held with our medical and dental insurance consultants to discuss medical care provider services and the changing landscape of the medical and dental insurance. These meetings provided IPSC with an overall picture of the expected increase that will be seen for medical and dental insurance.

In May, IPSC was notified the renewal for the fiscal year starting on July 1 required a 10.3 percent increase in the amount paid for medical and dental insurance.

Superintendent of Maintenance Resigned — In May, Stanley L. Smith, Superintendent of Maintenance, announced he was leaving IPSC. Stan had worked for Bechtel Construction prior to being hired by IPSC more than 20 years ago. Stan decided to return to Bechtel.

New Laborers Hired — In late May, five laborers were hired to sustain the laborer staffing level. As job openings become available, promotions are made in-house, eventually creating a job opening at the laborer level. A series of job openings in the spring created a need to hire the five laborers.

Community Health Fair — A community health fair, cosponsored by IPSC, was held during the month of May.



out with a normal forecast. The project did not have a one-year's supply reserve, because the Sevier Bridge Reservoir had been drained in 2003 for repairs. IPSC did not intend to rent any water in order to replenish the reserve; however, a very good snow pack and run off allowed limited water rental later in the spring. When the irrigation season closed, there was a substantial amount of water in the reservoir.



New Superintendent of Maintenance, G. Mike Alley — Mike was approved by the IPSC Board of Directors as the new Superintendent of Maintenance in a meeting held on May 23. Mike began working for IPSC in June 1985 and has worked as a Maintenance Planner, Planning Supervisor, and Assistant Superintendent of Maintenance.

Unit 3 Prospective Investors — Unit 3 prospective investors participated in a tour conducted by IPSC Management.

Water Year — The water year, beginning in October 2004, started

Fun Walk — In May, IPSC observed the National Employee Health and Fitness day by sponsoring a Fun Walk. The Walk was a 30-minute trek on the IPSC walking trail located near the on-site reservoir. About 100 individuals participated in the Walk. All participants received a T-shirt or tank top. Shift workers and spouses who were unable to attend, completed the walk at home that same day.

IPSC Summer Party — The annual summer party was held at the Seven Peaks Water Park in Provo.

New Telephone System — A change in the telephone system was made during the year. The previous phone system had been in service since 1984. Replacement parts were no longer available and the system could no longer support upgrades. The new Nortel system is capable of supporting more than 1,100 telephone extensions for voice communications and long distance connections.

Blood Drives at IPSC — Two blood drives are scheduled at IPSC and Intermountain Railcar in Springville each year. The average number of units of blood donated is 90. Employees are rewarded for their participation with a T-shirt.

Production Incentive Award Program — In mid-July, the Operating Agent, the Los Angeles Department of Water and Power, determined the employees of IPSC had earned a Production Incentive Award for the fiscal year ending June 30. The employees earned a score of 3.645 out of a possible 5.0. The checks were distributed July 13.

High School Bands Trained at the Community Center — In recent years during August, the Community Center has been used by a number of high schools for band camp. This year there were three high schools who reserved the facility. The first week, August 2 - 5,

Timpview High School brought approximately 50 people for training. American Fork used the facility during the second week, August 8 - 11, and brought approximately 230 people for training. During the third week, August 15 - 18, Davis High School brought approximately 275 people for training.



Coal Truck Deliveries — During the fall, large trucks and trailers were on the road again delivering coal from the Sufco Mine. Trains consisting of approximately 100 railcars haul coal year round. Trucks are used, as necessary, to help keep the plant supplied, build up the active coal pile, and add to the reserve coal pile. Each truck and trailer hauls approximately 42 tons of coal per load. Each of the two generating units burns approximately 380 tons of coal per hour; therefore, the amount hauled in an average truck and trailer is enough to last for just over three minutes.

Laborer Test — In September, a test was given to prospective candidates for IPSC laborer positions. Over 260 individuals registered online for the test. Approximately 100 received a passing score. IPSC has a low employee turnover rate and candidates realize they may have to wait years for a chance of employment.

VIP Burbank Tour — In September, representatives from Burbank, California, including the mayor, participated in a tour of IPSC.

Military Activation — The war on terror has depended on many reserve units to actively serve. Three IPSC employees served in various parts of the war effort; Don Ashcraft, Eric Jeffs, and Gordon Rawlinson.



Military Presentation to Don Ashcraft — Don Ashcraft returned to work in October after six months of activation. IPSC President, George W. Cross, recognized his service by presenting him a watch.

The Big Dig — In early October, a serious leak was detected in the large circulating water lines near the cooling towers. A major project was initiated to repair the line after an inspection found structural failure in several sections. Due to the urgency of the situation, the water line was excavated and repaired by IPSC employees using IPSC resources. The weather hindered the repairs, which included wrapping the pipe in sheet metal, wrapping the pipe in metal tension bands, applying a coating of cement-like material with mesh fencing, and applying a tar-like material to seal the pipe.



Community Center (New Management and Hours)— In the fall, the contract to operate the Community Center was sent out for bid. The contract was awarded to Shipley Enterprises. The center will now be open from 4:00 p.m. until 9:00 p.m. Monday through Friday. Other hours and Saturdays are available by reservation.

Gold Plus Level Award— In October, Joe Hamblin and Brian Coles attended the awards ceremony for the Utah Department of Health. IPSC received the Gold Plus Level Award for its work to support healthy lifestyle changes by employees.



Christmas Party— The Christmas Party was held at the Millard County Fair Building. Employees and their guests enjoyed a steak or



chicken dinner. Comedy Sportz provided the main entertainment for the evening. A live band played music until midnight. Prizes were

drawn throughout the evening. IPSC's EAO, organized a wonderful evening of food and fun for all who were able to attend.

Sub-for-Santa— IPSC employees brought some smiles and fulfilled dreams of hope to those less fortunate by donating 250 gifts and \$531 to the area Sub-for-Santa Program.

IPA and IPSC participated in the Delta Festival of Trees. Two Christmas trees were purchased and then given as gifts to the community.

Proceeds from the sale of the Christmas trees were used to help sponsor the area Sub-for-Santa Program.

Humanitarian Relief — During the year, IPSC employees made monetary donations via their paycheck so food could be purchased for the local food bank. At the end of the year, the total amount donated was 11,923 pounds of food. This project helps people in our area who are in need of food assistance. Thanks for all your generosity.

Technical Projects Continued — Technical upgrades or improvements continued to the carbon fiber repair of circulating water lines, digital control system, and ID fan variable speed drives.

Number of Employees — At the end of the year, the number of employees was 483.

LADWP

Retirement of John W. Schumann — Mr. John W. Schumann, a member of the IPSC Board of Directors, announced his retirement in the spring. Mr. Schumann had served as the Director of System Planning and Projects for the Los Angeles Department of Water and Power. He retired in July.

Retirement of C. Edward Miller — Mr. C. Edward Miller, a member of the IPSC Board of Directors, retired in the fall. Mr. Miller had served as the Director of Power Supply Operations for the Los Angeles Department of Water and Power.

IPA

Financing — June 30, the current weighted average borrowing cost was 4.66 percent.